supplemental tables

Additions to non-Federal economic resources, fiscal 1995

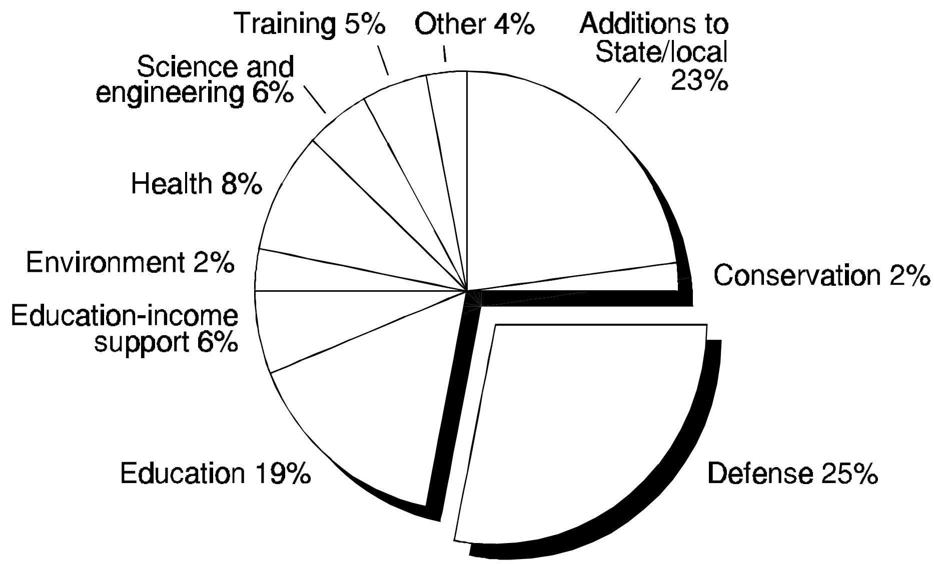
The Government uses its resources to add to the physical and human resources of the Nation without acquiring physical assets. The table on page 29, compiled from the fiscal 1997 and 1996 ‘‘Budget of the United States Government,’’ shows the amounts of these expenditures.

Some of these investment-type expenditures, while not adding to Federal assets, add to the assets of State and local governments or private institutions. All are intended to enhance the future productivity of the Nation.

Additions to State and local assets included construction grants for highways, community development, airports, and mass transit. Other developmental expenditures include outlays for education and training, and research and development.

The chart below illustrates how the Government uses its resources to add to the physical and human resources of the Nation, without acquiring physical assets.

Fiscal 1995
Total: $148.1 billion



Additions to Non-Federal Economic Resources for the Year Ended September 30

(In billions of dollars)

Additions to State and local government assets	1995	1994
Community and regional development	5.3	4.5
Environment	2.9	2.4
Transportation:		
Highways and mass transit	22.8	21.0
Rail and air	1.8	1.6
Other	1.0	.9
Total additions	33.8	30.4

Other developmental expenditures	1995	1994
Agriculture	1.2	1.2
Conservation	3.2	2.7
Defense	37.6	38.0
Education	28.8	22.0
Education-income support	8.7	7.8
Environment	3.6	3.6
Health	12.1	11.5
Science and engineering	8.9	7.3
Training	7.6	7.0
Transportation	1.4	1.7
Other	1.2	1.2
Total developmental expenditures	114.3	104.0
Total additions to non-Federal economic resources	148.1	134.4

Estimates for tax expenditures in the income tax

This table shows tax expenditures that are considered revenue losses because of Federal tax law provisions that allow special exclusions, exemptions, deductions from gross income, or that provide for special credits, tax rates, and deferrals.

Revenue loss estimates do not take into account any additional resources required to provide the same after-tax incentives if the expenditure program was administered as a direct outlay rather than through the tax system.

Revenue loss estimates are not necessarily equivalent to the increase in Federal receipts, or the reduction in budget deficits, that would result from the repeal of the special provision.

For more information about estimates for 1995 and 1994, see table 5-1, ‘‘Total Revenue Loss Estimates for Tax Expenditures in the Income Tax,’’ in the fiscal 1997 and 1996 ‘‘Budget of the United States, Analytical Perspectives.’’

Estimates for Tax Expenditures in the Income Tax for the Year Ended September 30

(In billions of dollars)

	Estimated amount of revenue loss	
Income exclusions	**1995**	**1994**
Disability and retirement benefits (private)	71.0	64.7
Medical care and insurance (employer premiums paid)	59.6	56.1
Interest and dividends (State and local bonds and debt, and life insurance)	30.3	29.0
Capital gains at death	28.3	26.9
Social Security benefits	21.6	23.7
Payroll benefits and allowances (group life, accident, and unemployment)	4.9	4.8
Foreign earnings and investment incentives (income earned abroad)	4.4	4.4
Education allowances (scholarships and GI benefits)	.9	.9
Other (e.g., age 55 or over credit on home sales)	5.2	4.7
Income deferrals		
Real estate (home sales)	14.2	16.6
Interest on U.S. savings bonds	1.1	1.3
Deductions and credits		
Interest (mortgage and consumer)	48.1	48.4
State and local property tax and other taxes	43.0	39.8
Accelerated depreciation (rental housing, buildings other than rental housing, machinery, and equipment)	32.9	23.9
Contributions (charitable and political)	23.6	21.5
Earned income	4.9	4.0
Foreign earnings (corporations doing business in U.S. possessions)	2.7	2.9
Medical	3.5	3.4
Work incentives (employment credits under work programs) and dependent care	2.7	2.8
Investments (commercial capital gains, credits, other investment incentives, construction period interest, and expensing developmental costs)	2.9	2.6
Old-age, disability, and other personal exemptions	2.2	2.4
Employee stock ownership plans (funded through investment and tax credits)	2.2	2.2

Outlays for mandatory and related programs

The Government commits itself to provide benefits and services by passing laws that make spending mandatory. Outlays for mandatory programs consist of spending for programs whose budget authority is controlled by means other than appropriation acts or by entitlement authority and budget authority for the food and stamp program.

For further information on fiscal 1995, refer to table 13-3, ‘‘Outlays for Mandatory and Related Programs under Current Law,’’ in the ‘‘Budget of the United States Government, Analytical Perspectives, Fiscal Year 1997,’’ pages 211-212. For fiscal 1994, see table 15-3, ‘‘Outlays for Mandatory and Related Programs under Current Law’’ in the ‘‘Budget of the United States Government, Analytical Perspectives, Fiscal Year 1996,’’ pages 211-212.

Outlays for Mandatory and Related Programs for the Year Ended September 30

(In billions of dollars)

Human resources programs	1995	1994
Social Security	333.3	316.9
Income security	181.3	178.4
Medicare	156.9	141.8
Health	93.4	86.6
Veterans benefits and services	19.9	20.3
Education, training, and social services	15.7	9.0
Total human resources	800.5	753.0
Other		
Other mandatory programs	-14.7	-2.9
Offset prior to the total mandatory programs	-44.5	-37.8
Total mandatory programs	741.3	712.3
Net interest	232.2	203.0
Total	973.5	915.3

Federal obligations

"Obligations" are the basis on which the use of funds is controlled by the Federal Government. They are recorded at the point at which the Government makes a firm commitment to acquire goods or services and are the first of the key elements that characterize the acquisition and use of resources–order, delivery, payment, and consumption.

In general, obligations consist of orders placed, contracts awarded, services received, and similar transactions requiring the disbursement of money.

The obligational stage of Government transactions is a strategic point in gauging the impact of the Government's operations on the national economy. Obligations frequently stimulate business investment, including inventory purchases and employment of labor, to fulfill those Government orders.

Disbursements may not occur for months after the Government places its order, but the order itself usually places immediate pressure on the private economy.

For more detail, see "Object Class Analysis, Budget of the United States Government," for fiscal years 1997 and 1996."

Obligations by Object Class for the Year Ended September 30

(In billions of dollars)

Personal services and benefits	1995	1994
Personnel compensation	113.2	111.6
Personnel benefits	42.1	42.2
Benefits for former personnel	29.8	30.1
Contractual services and supplies		
Supplies and materials	26.5	29.9
Rent, communications, and utilities	15.1	12.8
Travel and transportation of persons	6.5	6.0
Transportation of things	4.6	5.0
Printing and reproduction	.9	.8
Other services	175.8	172.4
Acquisition of capital assets		
Equipment	47.6	64.6
Investments and loans	16.2	10.5
Lands and structures	9.4	10.4
Grants and fixed charges		
Insurance claims and indemnities	633.3	618.9
Grants, subsidies, and contributions	395.6	380.3
Interest and dividends	355.3	322.1
Refunds	15.8	12.2
Other		
Undistributed U.S. obligations	24.6	15.7
Total direct obligations	1,912.3	1,845.5
Reimbursable and below reporting threshold obligations	232.5	243.5
Total gross obligations	2,144.8	2,089.0